

**NOTICE AND AGENDA**  
CEDAR KEY WATER & SEWER DISTRICT  
510 THIRD STREET, CEDAR KEY, FL 32625

FINAL BUDGET HEARING  
September 29, 2020, 5:01 P.M.

**NOTE LOCATION CHANGE:** IN ORDER TO ACHIEVE DISTANCING REQUIREMENTS, THE MEETING WILL BE HELD AT THE CEDAR KEY COMMUNITY CENTER, 809 6<sup>TH</sup> STREET, CEDAR KEY

1. Call to order.
2. Pledge and Prayer.
3. Adoption of Agenda.
4. Resolution No: 2020-07 (1)

A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT;  
ADOPTING THE FINAL LEVYING OF AD VALOREM TAXES FOR FISCAL  
YEAR 2020-2021; AND ESTABLISHING AN EFFECTIVE DATE.

5. Resolution No: 2020-08 (2-5)

A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT; ADOPTING  
THE FINAL BUDGET FOR FISCAL YEAR 2020-21; AND ESTABLISHING AN  
EFFECTIVE DATE.

6. Public Input.
7. Approval of minutes of September 14, 2020, regular meeting. (6-9)
8. WiFiber Update: Michael Johns.
9. General Manager Report.
10. Commissioner Comments.
11. Public Input.
12. Adjourn.

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All persons are advised that if they decide to appeal any decision made at the above-referenced public hearing, they will need a record of the proceedings, and that, for such purpose, they may need to insure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal will be based.

**RESOLUTION NO: 2020-07**

**A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT; ADOPTING THE FINAL LEVYING OF AD VALOREM TAXES FOR FISCAL YEAR 2020-2021; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Cedar Key Water and Sewer District in Levy County, Florida, on September 28, 2020, held a public hearing as required by Section 200.65, Florida Statutes, for the setting of the final millage rate for Fiscal Year 2020-2021; and

**WHEREAS**, the gross taxable value for operating purposes not exempt from taxation within Levy County, Florida, has been certified by the County Property Appraiser to the Cedar Key Water and Sewer District as \$180,000,000.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CEDAR KEY WATER AND SEWER DISTRICT:**

**Section 1.** The Fiscal Year 2020-2021 operating millage shall be 1.2000 mills which is 4.5% higher than the rolled-back rate of 1.1457 mills.

**Section 2.** This Resolution shall take effect upon final adoption.

Passed by a vote of \_\_\_\_\_ to \_\_\_\_\_ on the 29<sup>th</sup> day of September, 2020, at \_\_\_\_\_ p.m.

CEDAR KEY WATER  
AND SEWER DISTRICT

BY: \_\_\_\_\_  
Stephen Rosenthal, Chairperson

ATTEST:

(SEAL)

\_\_\_\_\_  
Ann Richburg, Secretary

**RESOLUTION NO: 2020-08**

**A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT; ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2020-21; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Cedar Key Water and Sewer District in Levy County, Florida, on September 23, 2020, held a public hearing as required by Section 200.65, Florida Statutes, for the adoption of the Final Budget for Fiscal Year 2020-2021; and

**WHEREAS**, the Cedar Key Water and Sewer District set forth the appropriations and revenue estimate for the Budget for the Fiscal Year 2020-2021 in the amount of \$1,286,070.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CEDAR KEY WATER AND SEWER DISTRICT:**

**Section 1.** The Fiscal Year 2020-2021 Final Budget shall be adopted.

**Section 2.** This Resolution shall take effect upon final adoption.

Passed by a vote of \_\_\_\_\_ to \_\_\_\_\_ on the 29<sup>th</sup> day of September, 2020, at \_\_\_\_\_ p.m.

CEDAR KEY WATER  
AND SEWER DISTRICT

BY: \_\_\_\_\_  
Stephen Rosenthal, Chairperson

ATTEST:

(SEAL)

\_\_\_\_\_  
Ann Richburg, Secretary

**CEDAR KEY WATER AND SEWER DISTRICT**

**2020-2021 BUDGET: DRAFT Final 9.29.20 (3% Increase in Gallons and Small Bases; Same Millage)**

ACCT	NAME	2020 BUDGET	2020 ACTUAL	2021 PROPOSED	NOTES
<b>INCOME</b>					
305	Water Charges	459,000	451,367	464,000	3% increase Small Bases and All Gallons
310	Sewer Charges	402,000	376,759	388,000	3% increase Small Bases and All Gallons
315	Ad Valorem Tax	213,000	213,000	213,000	95% of expected revenues
325	Penalties	2,500	2,500	2,500	
330	Earned Interest	20	13	20	
335	New Meter Charges	1,000	1,500	1,000	
340	Rent	16,500	7,110	15,050	Rent: NexTower: 5,400; Next Edge: 600; Bright House: 2,300; Verizon: 6,750
350	Miscellaneous	3,500	17,675	3,500	
360	Carry Forward	50,000		25,000	
365	Meter Installation	1,000	720	1,000	
382	Grant: Legislative 2016	50,000	22,000	173,000	
	<b>TOTAL INCOME</b>	<b>\$1,198,520</b>	<b>\$1,092,644</b>	<b>\$1,286,070</b>	
<b>EXPENSE</b>					
<b>GENERAL ADMINISTRATIVE</b>					
<b>Payroll</b>					
510.01	Salaries	232,522	259,844	262,026	With 3% COL and Field Overtime Allowance
510.02	Social Security/Medicare	17,787	19,494	20,045	With 3% COL and Field Overtime Allowance
510.03	Retirement	29,174	29,192	29,609	With 3% COL and Field Overtime Allowance
510.04	Health, Dental, Life, Vision	51,400	51,400	53,500	
510.05	Workers Compensation	8,000	8,000	5,500	
	<b>Total Payroll</b>	<b>338,883</b>	<b>367,930</b>	<b>370,680</b>	
<b>Office</b>					
520.01	Supplies	2,000	2,583	2,500	
520.02	Postage and Shipping	4,500	4,668	4,500	
520.03	Copier, Comp., Billing, Etc.	6,000	5,231	6,000	
520.04	Printing and Copying	1,500	1,004	1,500	
	<b>Total Office</b>	<b>14,000</b>	<b>13,486</b>	<b>14,500</b>	
<b>Utilities</b>					
530.01	Fuel for Equipment	6,500	5,871	6,500	
530.02	Solid Waste Disposal	2,250	1,694	2,000	
530.03	Telephone	8,000	9,984	10,000	
	<b>Total Utilities</b>	<b>16,750</b>	<b>17,549</b>	<b>18,500</b>	
<b>Professional Fees</b>					
540.01	Audit and Accounting	18,000	18,000	18,000	
540.02	Management/Legal	60,000	60,000	60,000	
540.03	Property Appraiser's Fee	6,000	6,348	6,500	
540.04	Water/Wastewater Operator	5,000	8,000	5,000	Continue TwoFold Contract
540.05	Tax Collector Fees		5,000	5,500	Mistakenly not included in 2020 budget.
	<b>Total Professional Fees</b>	<b>89,000</b>	<b>92,348</b>	<b>95,000</b>	
<b>General Repair and Maintenance</b>					
550.01	Vehicle	25,000	2,861	25,000	Includes 1 new pick up.
550.02	Equipment and Tools	52,000	60,000	7,500	Includes purchase of equipment trailer.
550.03	Building	2,000	4,088	2,500	
550.04	Supplies	2,500	930	1,000	
550.05	New Tools	4,000	282	1,000	
	<b>Total General R &amp; M</b>	<b>85,500</b>	<b>68,161</b>	<b>37,000</b>	
<b>Other</b>					
560.01	Property/Liability Ins.	43,300	43,300	48,000	
560.02	Election Expenses	1,000	0	1,000	
560.03	Continuing Education	1,800	521	1,500	
560.04	Annual Fees and Dues	2,000	2,000	2,000	
560.05	Ads and Publications	750	324	750	
560.06	Miscellaneous	2,000	3,893	2,000	
560.07	Contingency	16,012	-	6,357	Odd number to achieve balanced budget.
	<b>Total Other</b>	<b>66,862</b>	<b>50,038</b>	<b>61,607</b>	
<b>570</b>	<b>Capital Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	<b>Total Capital Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	<b>TOTAL GENERAL ADMINISTRATIVE</b>	<b>\$610,995</b>	<b>\$614,512</b>	<b>\$597,287</b>	

ACCT	NAME	2020 BUDGET	2020 ACTUAL	2021 PROPOSED	NOTES
<b>DIRECT WATER EXPENSES</b>					
<b>Chemicals and Filters</b>					
610.01	Chemicals	60,000	72,464	93,000	Includes carbon replacement (\$28,000)
610.02	Mlex Resin	36,000	18,500	18,500	
610.03	TwinOxide Installation, Chemicals	74,000	778	0	
610.04	RO Filters and Membranes	0	0	0	
	<b>Total Chemicals and Filters</b>	<b>170,000</b>	<b>91,742</b>	<b>111,500</b>	
<b>Laboratory</b>					
620.01	In House Lab	1,000	2,034	2,500	
620.02	Outside Lab	2,500	7,176	7,000	
620.03	Instrument Calibration	3,500	0	0	These costs moved to in House Lab
	<b>Total Laboratory</b>	<b>7,000</b>	<b>9,210</b>	<b>9,500</b>	
<b>Regulatory</b>					
630.01	Permits	1,000	1,000	1,000	
	<b>Total</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	
<b>Repairs and Maintenance</b>					
640.01	Piping and Distribution	20,000	5,297	10,000	Includes new valve at Hodgeson Hill
640.02	Equipment	15,000	46,402	20,000	Many unusual expenses last year
640.03	Building and Grounds	3,000	609	2,000	
640.04	Water Tower Maintenance	35,500	15,000	16,000	Budgeted amount for 2020 was wrong.
640.05	Generators: Annual Maintenance	2,250	2,250	2,250	
	<b>Total R &amp; M</b>	<b>75,750</b>	<b>69,558</b>	<b>50,250</b>	
<b>Utilities</b>					
650.01	Electric	20,000	18,600	20,000	
650.02	Propane	600	980	600	
650.03	Telephone	3,500	1,956	2,000	
	<b>Total Utilities</b>	<b>24,100</b>	<b>21,536</b>	<b>22,600</b>	
<b>Other</b>					
660.01	Professional Fees		29,384	5,000	
660.20	Contingency	20,000	0	10,000	
	<b>Total Other</b>	<b>20,000</b>	<b>29,384</b>	<b>15,000</b>	
<b>Capital Expenditures</b>					
670.02	Water Plant Construction	0	0	173,000	
<b>Loans</b>					
680.05	RD--Water System Interest	31,000	30,525	30,058	
680.06	RD--Water System Principal	17,000	17,000	18,000	
	<b>Total Loans</b>	<b>48,000</b>	<b>47,525</b>	<b>48,058</b>	
<b>TOTAL DIRECT WATER EXPENSES</b>		<b>\$345,850</b>	<b>\$269,955</b>	<b>\$430,908</b>	

ACCT	NAME	2020 BUDGET	2020 ACTUAL	2021 PROPOSED	NOTES
	<b>DIRECT WASTEWATER EXPENSES</b>				
	<b>Chemicals and Filters</b>				
710.01	Chemicals	30,000	25,187	30,000	
	Total Chemicals and Filters	30,000	25,187	30,000	
	<b>Laboratory</b>				
720.01	In House Lab	1,500	1,038	1,500	
720.02	Outside Lab	13,000	14,960	15,000	
720.03	Instrument Calibration	3,600	0	0	These costs moved to in House Lab
	Total Laboratory	18,100	15,998	16,500	
	<b>Regulatory</b>				
730.01	Permits	200	200	2,000	
730.02	Biosolids Hauling	50,000	56,700	58,000	
	Total Regulatory	50,200	56,900	60,000	
	<b>Repairs and Maintenance</b>				
740.01	Piping and Collection	6,000	12,183	7,000	
740.02	Equipment	25,000	15,383	15,000	No WWTP generator this year.
740.03	Building and Grounds	60,000	7,782	85,000	Includes repairs to WWTP.
740.04	Generator: Annual Maintenance	1,375	1,375	1,375	
	Total R & M	92,375	36,723	108,375	
	<b>Utilities</b>				
750.01	Electric	30,000	26,915	27,000	
750.02	Propane	1,000	0	1,000	
	Total Utilities	31,000	26,915	28,000	
	<b>Other</b>				
760.01	Professional Fees		10,500	5,000	
760.02	Contingency	20,000	0	10,000	
	Total Other	20,000	10,500	15,000	
	<b>TOTAL DIRECT WASTEWATER EXPENSES</b>	<b>\$241,675</b>	<b>\$172,223</b>	<b>\$257,875</b>	
	<b>TOTAL EXPENSES</b>	<b>\$1,198,520</b>	<b>\$1,056,690</b>	<b>\$1,286,070</b>	
	<b>SURPLUS/DEFICIT</b>	<b>\$0</b>	<b>\$35,954</b>	<b>\$0</b>	

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**CEDAR KEY WATER & SEWER DISTRICT  
P.O. BOX 309 / 510 THIRD STREET  
CEDAR KEY, FL 32625**

**Minutes of Regular Meeting  
Board of Commissioners  
September 14, 2020**

Board Members Present: Joe Hand, Stephen Rosenthal, Dottie Haldeman, Chris Reynolds, and Leslie Sturmer.

Others Present: John McPherson, Jan Childers, Clay Childers, Jim Wortham, Steve Priessman, Laura Goodwin, Michael Johns.

1. Meeting called to order at 5:01 p.m. by Stephen Rosenthal, Chair.
2. Pledge and Prayer.
3. Adoption of Agenda. **Motion** by Dottie Haldeman to adopt the agenda as presented. **Second** by Chris Reynolds. Passed by a vote of 5-0.
4. Resolution No: 2020-05

A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT;  
ADOPTING THE TENTATIVE LEVYING OF AD VALOREM TAXES FOR FISCAL  
YEAR 2020-2021; AND ESTABLISHING AN EFFECTIVE DATE.

The resolution was read in full by John McPherson, General Manager. There was general discussion by the Board and a request for public input. **Motion** by Dottie Haldeman to adopt Resolution 2020-05 as presented. **Second** by Leslie Sturmer. Passed by a vote of 5-0 at 5:06 p.m.

5. Resolution No: 2020-06

A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT; ADOPTING  
THE TENTATIVE BUDGET FOR FISCAL YEAR 2020-2021; AND ESTABLISHING AN  
EFFECTIVE DATE.

The resolution was read in full by John McPherson, General Manager. John McPherson advised the Board that the budget amount shown in the resolution should be changed from \$1,135,120 to \$1,308,120. There was general discussion by the Board and a request for public input. **Motion** by Leslie Sturmer to adopt Resolution 2020-06 with the change to the budget amount. **Second** by Dottie Haldeman. Passed by a vote of 5-0 at 5:17 p.m.

6. Public Input. Public input was requested but none was provided.

7. Approval of Minutes. **Motion** by Leslie Sturmer to accept the minutes of the regular meeting of August 10, 2020, as presented. **Second** by Joe Hand. Passed by a vote of 5-0.
8. Financial Reports. Budget, Balance Sheet, Checkbook Activity, and Employee Leave reports were presented for review. The General Manager explained that the Past Due Accounts report was missing due to Alicia being off work the prior week. **Motion** by Dottie Haldeman to accept the financial reports as presented. **Second** by Chris Reynolds. Passed by a vote of 5-0.
9. WiFiber Update. Michael Johns with WiFiber presented an update on the internet services being provided on a test basis from antennas attached to the water tower. He reported that all reports he had heard were that the test users were very happy with the service. Those at the meeting using the service agreed that it was working well. Mr. Johns stated that four more antennas would be needed on the water tower to fully cover the city. The Board requested that Mr. Johns provide a proposed contract for using the water tower for the provision of permanent internet service to the city.
10. General Manager Report.
  - a. *Water Plant.* The GM reported that the GAC equipment has been successfully installed and is working properly, with the DEP protocol for the test period being followed.
  - b. *Wastewater System.* The GM reported that after the beginning of the new budget year, work will begin with CROM to address the needed concrete repairs on the WWTP.
  - c. *Cell Service.* The GM reported that he had heard from Paul Rozeman who stated that there was no definite time for Verizon to move ahead with executing the leases and installing the antennas. The GM was instructed to contact Verizon and see if there is anything that can be done to speed this up, including a reconsideration of the rent to be charged.
  - d. *Covid 19.* The GM reported that one District employee had cold/flu symptoms, was told to stay away from work until tested, and after testing negative was allowed to come back to work. The GM requested guidance from the Board on how to handle the days that the employee was well, but was told to stay home pending test results; specifically whether the employee should be charged sick leave for the 2-day period that he was home awaiting results. After discussion, the Board asked the GM to find out what other government and private entities are doing and report back at the next meeting.
  - e. *Insurance Renewal.* The GM reported that it is time to renew the District's general property/liability and workers compensation policies with Egis Insurance. He presented the following with regard to the workers compensation proposal: 1 year renewal at a substantially lower rate than last year: \$5,416 renewal versus \$6,301 last year. **Motion** by Leslie Sturmer to renew with Egis as proposed. **Second** by Chris Reynolds. Passed by a vote of 5-0.

The GM presented the following options with regard to the renewal of property/liability with Egis: 1-year term: \$46,338/year or 2-year term: \$47,938/year.



The GM reported that the District's insurance advisor with Egis suggested that the 2-year term might be better given the uncertainty caused by Covid which creates the possibility that rates could go way up for 2021-2022. **Motion** by Chris Reynolds to renew at the 2-year option with Egis. **Second** by Joe Hand. Passed by a vote of 5-0.

- f. *Agreements with City of Cedar Key.* The GM reported that he has been working with City Commissioner Jim Wortham on proposed agreements to resolve longstanding issues relating to fire hydrants, the water tower site, and the City's public works yard adjacent to the water treatment plant. He reported that at a recent meeting, the City Commission approved all three of the proposed agreements, and so they are now coming to the Board for consideration. He reminded the Board that it had already approved the fire hydrant MOA so that did not need to be addressed. The GM reviewed the most important elements of the public works yard lease and of the water tower site interlocal agreement. He strongly recommended that the Board approve the lease and interlocal agreement in order to provide clarity on a number of issues and resolve longstanding issues with the City regarding these properties. **Motion** by Chris Reynolds to approve both the public works yard lease and the water tower site interlocal with an effective date for both as October 1, 2020. **Second** by Joe Hand. Passed by a vote of 5-0.
- h. *Accounting Services.* The GM reported that it is time to renew the District's annual contract for accounting services. He reported that Beauchamp and Edwards had presented a proposal for continuing to provide such services with an annual increase of from \$8,300 last year to \$8,400 this year. **Motion** by Dottie Haldeman to renew the contract with Beauchamp and Edwards as proposed. **Second** by Leslie Sturmer. Passed by a vote of 5-0.
- g. *Auditing Services.* The GM proposed that, in light of the District's experience with Carr Riggs over the past two years, and based on a recommendation by Robert Beauchamp, the District should go through an auditor selection process for the 2020 audit. He presented a draft RFP for review by the Board, and advised the Board that as part of the state-mandated audit selection process, there needs to be an Audit Committee made up of three members of the Board. **Motion** by Leslie Sturmer to initiate the auditor selection process and appoint Stephen Rosenthal, Dottie Haldeman, and Leslie Sturmer to serve as the audit committee. **Second** by Dottie Haldeman. Passed by a vote of 5-0.
- h. *TRIM Schedule.* The GM reviewed the TRIM schedule as follows:
- July Board Meeting: Set current year proposed millage rate and set date, time, and place of tentative budget hearing. (Proposed millage: 1.2; Proposed meeting date: September 14)
  - By August 24: TRIM Notices go out.
  - September 14: Tentative Budget Hearing
  - September 24: Publish Newspaper Notice
  - September 29: Final Budget Hearing
  - By October 1: Budget Resolutions to Property Appraiser, Tax Collector, and DOR
  - By October 28: Certificate of Compliance to Department of Revenue and post final budget on website



11. Commissioner Comments: Dottie Haldeman asked the GM to resend her the information about overtime, etc requested at the last meeting. Leslie Sturmer reminded the Board to sign up for the Coastal Cleanup on the NCBS website.
12. Public Input: Public input was requested, but none was provided.
13. Adjournment: There being no further business to conduct, the meeting was adjourned at 6:41 p.m.

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Stephen B. Rosenthal, Chairperson

\_\_\_\_\_  
Leslie Sturmer, Commissioner &  
Secretary of the Board

Date: \_\_\_\_\_